

*Buckley*

Face the Nation

CBS Network

December 7, 1986 5:30 p.m.



MS. LESLEY STAHL: Welcome to Face the Nation. I'm Lesley Stahl.

The White House had evidence from intercepted communications that Iran ordered and paid for bombings in Beirut that killed 258 Americans. That, according to a report today in The Miami Herald.

Meanwhile, President Reagan continues to defend his decision to send arms to Iran, but for the first time Mr. Reagan said that mistakes were made.

THE PRESIDENT: It's obvious that the execution of these policies was flawed and mistakes were made.

MS. STAHL: But he did not bend to other pressures that he fire his Chief of Staff Donald Regan. Republican sources say that the President was overheard in the White House this week shouting at Mrs. Reagan to stop nagging him to get rid of Regan. The President is described as dug in.

SENATOR JOHN CHAFEE: He didn't want to throw anybody to the wolves without adequate cause.

VICE PRESIDENT BUSH: There can be no denying that our credibility has been damaged by this entire episode.

NO-802  
INTERNATIONAL  
NO-802

NO-802  
INTERNATIONAL  
NO-802

MS. STAHL: The President's credibility took its first blow early on when he tried to deny the story.

THE PRESIDENT: The speculation, the commenting and all, on a story that came out of the Middle East and must have no foundation --

MS. STAHL: One week later.

THE PRESIDENT: I then asked my former National Security Advisor Robert McFarlane to undertake a secret mission.

MS. STAHL: Texas billionaire H. Ross Perot says he was asked to put up \$2 million for the Islamic Jihad as ransom for the American hostages.

H. ROSS PEROT: These two ships were to meet at sea. And it never occurred and I never knew why.

MS. STAHL: Meanwhile, the Contras say they never saw the Iran arms money. Investigators are asking where did the money go.

THE PRESIDENT: We've cooperated fully with congressional inquiries.

MR. STAHL: In fact, the central figures, Oliver North and John Poindexter, took the Fifth Amendment refusing to answer questions before the Senate Intelligence Committee.

SENATOR DAVE DURENBERGER (Intelligence Committee): Yes, the only problem it caused for me is with the President's creditability since the President has promised that everybody is going to be very open.

MS. STAHL: What can Congress do in its investigations? We'll ask Senate Majority Leader Bob Dole and House Leaders Democrat Tom Foley and Republican Trent Lott. And we'll talk about the legal entanglements with CBS laws correspondent Fred Graham.

THE PRESIDENT: I will set things right.

MS. STAHL: Damage control at the White House, is it working, an issue facing the nation.

(Commercial)

MS. STAHL: Joining us today, Senate Majority Leader Bob Dole of Kansas.

Senator, there's a report this morning in The Miami Herald that the Regan Administration had pretty solid evidence that Iran ordered and paid for the bombings in Beirut in 1983 of both the American Embassy and the Marine Barracks. Did the Administration tell Congress of this? Did you know it, do you know it?

SENATOR ROBERT DOLE: I don't know it to be a fact now. I haven't known it. I'm not certain it has any direct bearing on the present problem, but it does underscore just how bad the Iranians were at that time and what their real purpose was.

MS. STAHL: Well, yesterday, the President defended his policy of sending arms to Iran, even though he said there were mistakes made in the execution of that policy.

Do you now back what he's saying? Do you support his policy of sending arms to Iran?

SENATOR DOLE: No, I support his policy of trying to find moderate elements in Iran to deal with when you look at the future.

But as far as exchanging if, in fact, that was a policy the President says it was not, he also said that yesterday, of exchanging arms or dealing with the Ayatollah, then I don't agree with that policy.

I think what the President is saying that my policy was right, but he did also indicate yesterday that mistakes were made, that the execution was flawed and to me, that's a big step in the right direction.

MS. STAHL: Well, I'm a little confused. What exactly did he say mistakes were made over? He did defend the idea of sending arms to Iran, that was his policy. What I gather he feels where the mistakes were made was when the funds were transferred to the Contras.

Do you think he said enough or do you think he should admit that there was a mistake in sending arms to Iran?

SENATOR DOLE: I don't think his policy ever was sending arms. I think his policy was trying to find moderate elements in Iran to have some dialogue with for future, you know, future years or whatever. But also, maybe to help release the hostages. He did say there were some successes. There were three hostages released.

I think when you get into exchanging arms, I think the \$12 million in arms given to the Iranians, the President indicates, was minuscule, a very small amount. But if they were exchanged for hostages, that's where he loses a lot of us. And he says that was never the intent. It was not his intent to deal with the Ayatollah. It was not his intent to exchange arms for hostages.

MS. STAHL: Newsweek magazine, the issue coming out this week, says that Iran asked for 500 TOW missiles in exchange for William Buckley, one of our hostages. That it was understood that it was a ransom payment, it was understood in the Reagan Administration that it was a ransom payment.

A

Now, if that kind of information comes out --

SENATOR DOLE: That's a grave mistake. That would be a major mistake that would be hard to explain to members of Congress, the President's strong supporters as well as those who -- well, his detractors in the Congress.

MS. STAHL: Yesterday in a speech you said let Reagan be Reagan. Now, what exactly did you mean?

SENATOR DOLE: I meant from the standpoint of this episode. I see the President making four or five positive steps in the past week. These are judgments that he made, that Ronald Reagan made.

We've been in the White House four or five times the past week with meetings, bipartisan meetings, Republican meetings. From my standpoint I think if Ronald Reagan, as he's doing now, is reflecting on this problem, let Reagan make that decision. Let the President make that decision. He's made a number of them and they've all been good. I think we're going to see a turnaround.

I even get rumors from the Intelligence Committee that they may have a dry hole there. There may not be a story. They may have gone about as far as they can go. And maybe there isn't -- this isn't such a big, big thing.

MS. STAHL: Well, tell us more about that. Give us more specifics. Who told you that?

SENATOR DOLE: Well, I can't give the source. In fact, I'm just -- I'm not saying what's been said in that committee. But based on all the evidence, and you're not at liberty to indicate what anyone said, but I think you could characterize the progress so far as not very explosive and no big revelations. And I think there's some feeling that maybe the Administration, obviously, is pretty much on top of this.

MS. STAHL: Well now you have Newsweek saying that it was an absolute ransom payment for a hostage. You have Newsweek saying that Casey, the Director of the CIA, was involved in this from the beginning. You have Newsweek saying that President Reagan made the first overtures to Iran by sending a letter to the Speaker of the Parliament there instead of, as he has been saying publicly and I gather to Congressmen this week when you met with him, that the Iranians came to him first.

So, you know, basically the intelligence --

SENATOR DOLE: We have a lot of these areas that ought to be cleared up and I think we'll do that probably not until we have our Select Committee in the House and the Senate looking into all of these rumors. Maybe some will turn out to be facts, some will be rumor.

But it seems to me that the President in this past week has helped himself immeasurably. He's had bipartisan, you know, credit for doing a lot of things that he should have done. And my view is that he's making progress.

MS. STAHL: Do you think he should admit or say he made a mistake on sending arms to Iran?

SENATOR DOLE: I think where the President will make a distinction, he'll say that was not -- the centerpiece of his policy was improving relations. The shipment of a small amount of arms was merely incidentally.

My own view is that that was a mistake. I'm not -- the President will probably have a little -- a bit of a different view. But, you know, again I think he's done very well this past week.

MS. STAHL: You were saying he should admit mistakes were made. You've been saying that for a couple of days and probably advised him to say that. But I'm wondering if you think he should now go one step further and say that that was a mistake, too?

SENATOR DOLE: I think I'll leave that to the President. I think there are many -- you get a lot of free advice in this town and the President got a lot of it this past week from a lot of Republicans and Democrats who are concerned about whether it's the party or the country or the Congress or the presidency.

And in my view he's taken a lot of that criticism, it's been rather blunt at times, and he's responded. And I think his statement yesterday, his radio address, was very good.

MS. STAHL: Do you think that he should ask for Donald Regan's resignation, his Chief of Staff? Many people have suggested it, including Mrs. Reagan, apparently?

SENATOR DOLE: Well, I noted that. I'm not certain that's happened, but again I think that's the President's call. And it seems to me that it's not for us to say who the President should keep and who the President should let go.

He's made it very clear, however, that if Donald Regan or anyone else is implicated in some way, then they're gone. But he said he would feel rather bad if he fired someone just to satisfy someone on television, not you or me, but someone who's asking for a resignation of Don Regan or Bill Casey or George Shultz, whoever.

MS. STAHL: Well, let me ask about Casey because there are reports that Casey may have lied to Congress about what he knew and what he approved personally. What about that? How can Congress trust the Director of the CIA if he's not being completely open with them, which is part of what he's supposed to be doing?

SENATOR DOLE: Well, I think if there is a clear case of someone lying to Congress -- you know, it's a very complicated matter. It could be that you might have a date mixed up or maybe you said something happened before rather than after. But if you're clearly lying trying to deceive the Congress, then that's something else.

If that should happen with anyone of the Administration, my view is the President would be totally justified and should let that person go.

MS. STAHL: But you're not ready to say that about Casey?

SENATOR DOLE: Well, I'm not -- I'm not certain what the statement was, whether it was just a -- you can make mistakes. When you're asked to testify again and again, and again sometimes you may forget the precise date or the precise answer.

MS. STAHL: Let me ask you about the Vice President. He made a speech this week. Do you think that his campaign for president has been damaged by all of this?

SENATOR DOLE: My view was the Vice President did an excellent job, not only in delivery but in the content of the speech. I think it probably helps the Vice President. What it means long-range, I don't think it makes that much difference. But I think for the moment he's certainly helped himself.

MS. STAHL: All right.

One final question. The President, in learning that some people on his staff may have gone beyond his policy and actually may have broken some laws, has never really expressed outrage about that. Does this bother you?

SENATOR DOLE: Not really. I mean I think, you know, many people wonder why the President doesn't call in Mr. Poindexter and Ollie North and say, "Fellows, let's sit down and you tell me precisely what happened." Let's inject a little common sense. We've got all these people looking to the National Security Council, we're going to have two committees in Congress.

We're going to have all these people looking and maybe it would just be better if the President said, "Fellows, come on it. Let's have a little visit and you tell me what happened so I can tell the American people." Now, that wouldn't be a bad idea.

MS. STAHL: Why do you think he hasn't done that?

SENATOR DOLE: I don't know. It would seem to me -- well, I guess I do know. In a sense, somebody said,



"Well, he's trying to compromise Mr. Poindexter and Mr. North." or, "Maybe he's trying to pressure them."

But it would seem to me that if it can be done directly with the President, it's time that somebody asked these two gentlemen, "Just let's lay this out. This has become a big story. We're not trying to impair your rights."

They do have constitutional rights and they could be subject to criminal penalties. But it would seem to me one way to get all this behind us was to have a nice little visit with Mr. Poindexter, Admiral Poindexter and Colonel North.

MS. STAHL: Interesting suggestion.

Thank you very much, Senator Dole.

We'll be back with two members from the House of Representatives.

REPRESENTATIVE TIP O'NEILL: The American people did not build this country to what it is today so that the arsenal of democracy would become the arsenal of the Ayatollah.

(Commercials)

MS. STAHL: With us now House Democratic Whip Thomas Foley of Washington and House Republican Whip Trent Lott of Mississippi.

Congressman Foley, let me ask you first if you think the President's speech yesterday, his radio address, where he admitted that there were mistakes in the execution of his policy is enough in your mind for him to turn the corner on this issue?

REPRESENTATIVE THOMAS FOLEY: Well, I think it sets the right tone for the Administration's reactions to the investigations that are going to take place after the first of the year between the two special committees.

I think the President's saying that the information will come forward, that he admitted the mistakes were made, and he said that everyone in this country has to observe the rule of law. I think that's a good statement for the President and I think it did help restore a better attitude.

MS. STAHL: Tip O'Neill was very critical saying the President didn't condemn the actions strongly enough.

REPRESENTATIVE FOLEY: Well, I think there will be many who will feel that it wasn't quite clear whether the President was talking about the Iranian arm sales or the transfer of funds to the Sandinistas as far as "mistakes were made." But, for the first time I think the President's indicated some things went wrong, he wants to put them right and he'll have the support of the Congress in that.

MS. STAHL: Congressman Lot, do you think he has to say to the American people that he made a mistake in selling arms and sending arms to Iran or do you think he's said enough?

REPRESENTATIVE TRENT LOT: No, I don't think so. I think what he said yesterday was another positive step, one of a half a dozen positive steps that he took last week. I think it helped him. I think he, by using words like "I regret it," and that the implementation, obviously "didn't go as it should have," and that he would "set things right" set the right tone for now.

Now we'll need to see what else is found out and who was involved and expect further action from him.

REPRESENTATIVE FOLEY: A quick point? It's not for the President to make admissions to embarrass him or anything, that people are concerned about whether he believes the sale of arms to Iran was a mistake. It's because it might be a guide to further policy. That's the question.

REPRESENTATIVE LOT: And I think that's a judgment

call. But I think what's important now is where we go from this point.

MS. STAHL: Well, where we go is apparently endless hearings. The House is starting hearings tomorrow. They will be televised, the House Foreign Affairs Committee with Secretary of State Shultz and the former National Security Advisor McFarlane testifying.

Now, there's a story that Shultz or at least senior State Department officials tried to get other governments around the world to give money to the Contras. And this money was put into a Swiss bank account. May have been used in some way to get arms to the Contras.

Are we starting sort of a second front of investigations here? One on Iran and a second one where maybe some violations of the Boland Amendment were made in a broader way than just these Iranian arms deals, Congressman Foley?

REPRESENTATIVE FOLEY: Well, I think there's going to be inevitable inquiry as to whether there were violations of the Boland Amendment, because apparently there were diversions of funds from the Iranian sale. But I don't know. It's too early to say whether there's any story here.

It's certainly questionable in my judgment for the Secretary of State, who I admire very much, to be going around the world with a tin cup, so to speak, for this.

REPRESENTATIVE LOT: I think now a lot of issues are being folded in together that don't necessarily all relate to the immediate situation, and therefore some committees maybe having separate hearings. But I think we need to have a concentration on the two select committees, one in the House and one in the Senate.

I think the Administration needs to move aggressively to make all papers and materials available. They need

to start meeting with representatives from the Congress, House and Senate, to set up a process so that it's not cumbersome and unnecessarily drug out either by the Administration or by the Congress.

REPRESENTATIVE FOLEY: Quick point. I think the purpose of these investigations is to find out where policy went awry or the execution of policy went awry and correct it. This is not a witch hunt or retribution, or recrimination for the sake of retribution and recrimination. We need to find out so that policy mistakes are not repeated in the future.

But nobody that I know in the Congress who wishes this country well, and I think every member of Congress and certainly most vast majority of all of us do, wants to see this Presidency destroyed or bleed to death or put in a position --

REPRESENTATIVE LOT: If you feel that way --

REPRESENTATIVE FOLEY: -- where it can't be effective in the next few years.

REPRESENTATIVE LOT: You feel that way. I wish all of Congress did.

MS. STAHL: Why did the Democrats in the House insist on a second hearing, committee hearing? Why didn't you just let the Senate do it instead of having two televised hearings going on?

REPRESENTATIVE FOLEY: Well, in the first place, we have the two bodies in the Congress and the suggestion that we have a unicameral legislature is simply not a very appropriate one for the House of Representatives.

MS. STAHL: Well, it happened in Watergate.

REPRESENTATIVE FOLEY: It happened in Watergate, there were two different aspects. The so-called Watergate hearings took place in the Senate, the so-called impeachment hearings took place in the House.

REPRESENTATIVE LOT: We did it differently.

REPRESENTATIVE FOLEY: Both of us have to legislate. I think we both need to have the --

REPRESENTATIVE LOT: The leadership could have designated a committee, Foreign Affairs, Intelligence, to do it in the House. They did go with a select committee for very good reason. I'm pleased that they did so that we won't have duplication and so witnesses can actually go before the appropriate committees.

REPRESENTATIVE FOLEY: Can I make another quick point. If you have joint committee, as some people had suggested, you weaken some of the legal authority to produce persons or papers that come from the Constitution to each body.

MS. STAHL: Tip O'Neill, still the Speaker of the House--

REPRESENTATIVE FOLEY: Yes, he is.

MS. STAHL: -- says he thinks in his own mind that President Reagan knew about the diversion of funds to the Contras. Does he speak for the Democrats? Do you agree with him?

REPRESENTATIVE FOLEY: I think the Speaker speaks for himself here. He is, obviously, one of the most straight forward people in politics. I'd rather wait for more information.

But I think the Speaker would also say that he and most people in Washington feel this President delegates more authority than almost anybody else. He said he thought this was an occasion when he felt the President knew.

REPRESENTATIVE LOT: Well, I'd like to respond only that, what do you expect from Tip? Now, I have been in a room with the President three or four times this

week. He has assured us that he did not know about it and I believe him.

REPRESENTATIVE FOLEY: Just a moment here. I think we have a little difference of agreement -- disagreement here. The Republicans have been the people who have been criticizing this most vigorously and have been suggesting wholesale changes in the Administration. Senator Goldwater said he thought it was the worst thing that ever happened in recent years, at least. Senator Luger said he thought the result of it was our foreign policy was in shambles. People of the Republican Party have been calling for heads all over the place.

Democrats have been not in the forefront of those who have been seeking to make this a settling of old scores, as many in the Republican Party have.

REPRESENTATIVE LOT: Tom, I think we're getting into partisanship. It's clear that you're trying to proceed moderately and responsibly and, you know, as to who is saying what --

REPRESENTATIVE FOLEY: This is not Tip O'Neill versus Ronald Reagan issue.

REPRESENTATIVE LOT: Yes, but it was Tip O'Neill yesterday that went on TV and made what, I thought, was an irresponsible statement.

REPRESENTATIVE FOLEY: Everybody who knows the Speaker knows that he is one of the most straight forward and honest man in American politics. He tells people exactly what he thinks.

Many Americans, maybe unfortunately, but many Americans believe that there was some knowledge here. Most of us in the investigative trail are going to wait until the facts are reduced. But, that's what the Speaker thinks and he's entitled to his opinion.

MS. STAHL: Well, let me change the subject for a second.

REPRESENTATIVE LOT: Okay, change the subject.

MS. STAHL: Over to Congressman Lot for a second.

As I discussed with Senator Dole, The Miami Herald is reporting that the Administration has known for quite some time through intercepted communications that Iran paid for and ordered the bombings of the American Embassy and Barracks in Beirut in 1983. How do you think the American people are going to respond now that we know that the President knew that and still sent arms to Iran?

REPRESENTATIVE LOT: Well, I think confused. Lesley, there's so many questions that have to be answered even on that. When did they know and did it effect them in some way in their actions?

The important part is that look, we know Iran has been involved in terrorist acts, but now or in recent months the Administration has been trying to give them a reason or put pressure on them not to do that. And we would like them not to participate in terrorist acts in the future.

What happened back in 1983, while it was important, we need to find out what happened, it does not necessarily relate to the present situation.

MS. STAHL: Thank you both very, very much for being our guests today. We will be back.

(Commercials)

MS. STAHL: Joining us now CBS news law correspondent Fred Graham.

Fred, you just heard Senator Dole suggest that the President go to Poindexter and North and just ask them what took place and then come and tell the American people. What do you think of that idea?

FRED GRAHAM: Well, as you've said, it's an interesting suggestion but I don't think it would work. I think there's a misunderstanding here that perhaps there is a coverup of some sort because these two gentlemen are taking the Fifth Amendment. They have every right to take the Fifth Amendment and not implicate themselves in criminal conduct out of their own mouths. And around the fringes of some of this, apparently, some laws were violated in dealing with money and arms.

If I were their lawyer with regard to this proposal that Senator Dole has made, I would have to say, "You shall not go into that room with the President because you would be possibly incriminating yourself and putting yourself in a position of, perhaps, becoming a scapegoat."

And, the second thing I would do would be I'd pick up the phone and I would call Senator Dole and I would say, "If you want them to testify, introduce a resolution to give them immunity, which the Senate can do, and they will tell all."

MS. STAHL: But will the Senate do that? If they grant these two men immunity and they were the two that we, at this point, know were involved in this, is that a good idea?

MR. GRAHAM: Well, I don't think politically or just as a matter of common sense the Senate would want to give them immunity because they are the real players here. The way this is normally done, and you'll recall in Watergate, they gave immunity to the smaller fish and let them implicate the people higher up the line. And that's probably what will happen here.

MS. STAHL: You think there were smaller fish?

MR. GRAHAM: Yes, I would assume that these two people were not operating all by themselves.

MS. STAHL: Fred, let me ask you a very tough question. What if it turns out that the President did know about this transfer of money to the Contras and it



turns out to be a violation of law, or even that the arms sales to Iran was a violation of the law? Are these impeachable offenses? Does that trigger automatically an impeachment hearing?

MR. GRAHAM: I don't think these are impeachable offenses. The real question here is the Contra -- the funds to the Contras because Congress had passed a law saying that the government should not do that. But there is no criminal penalty to the Boland Amendment.

Now, the Constitution says that impeachment shall be for treason, bribery and high crimes and misdemeanors. And I don't think anything here gets in the ballpark of that.

MS. STAHL: So even if we do find out the President knew, he can still go on and be President?

MR. GRAHAM: Yes. I do not think this is an impeachment offense. I think it's a serious matter if it happened, of the President ignoring our constitutional setup and ignoring what Congress had decreed, but impeachable no.

MS. STAHL: Okay. Let's talk about the special prosecutor or independent counsel, as they now call him. That investigation into possible criminal violations will go on while the Senate and House are having their hearings. During Watergate the same thing happened and those two bodies were always fighting with each other over the evidence. Is that going to happen again, do you think?

MR. GRAHAM: Well, now you'll recall that they fought for a while and then they resolved it. And I think that, based on that precedent, they'll work together very well here.

But I think the big difference here will be that this special prosecutor, who I presume will be appointed within the coming week, will then virtually disappear from sight because a statute has been passed since

Watergate which makes that a much more confidential and low silhouette operation. We're not going to see much of the special prosecutor's operation.

MS. STAHL: No Leon Jaworski, no comings and goings like that?

MR. GRAHAM: No. There will be six months before it will surface.

MS. STAHL: Okay. Thank you very much, Fred Graham, for clearing up some of those interesting legal questions.

I'm Lesley Stahl. This is the end of Face the Nation for this week. Join us next week and have a good week in the meantime.